

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4654-05  
Bill No.: Truly Agreed To and Finally Passed CCS for SCS for HCS for HB 1965  
Subject: General Assembly  
Type: Original  
Date: June 21, 2010

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Bill Summary: Repeals obsolete and ineffective statutes as recommended by the state departments.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Statutory Revision	Unknown less than \$300,000	Unknown	Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown less than \$300,000</b>	<b>Unknown</b>	<b>Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 10 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Loss and savings unknown less than \$100,000 annually net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Higher Education, Office of Administration (COA) - Division of Budget and Planning, COA - Administrative Hearing Commission, Department of Insurance, Financial Institutions, and Professional Registration, Department of Mental Health, Department of Corrections, Department of Health and Senior Services, Department of Labor and Industrial Relations, Department of Revenue, Missouri Department of Transportation, Department of Public Safety, Office of the Governor, Department of Economic Development, Missouri Ethics Commission, Office of Prosecution Services, Office of State Auditor, Office of State Treasurer, Missouri State Tax Commission, Linn State Technical College, University of Missouri, Parkway School District and St. Louis County** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General (AGO)** state Section 33.850 of the bill establishes the Joint Subcommittee on Recovery Accountability and Transparency. One of the duties of the subcommittee is to refer appropriate matters to the AGO for investigation. The AGO assumes that any potential costs resulting from this section can be absorbed with existing resources, but may seek additional appropriation if significant referrals result.

Officials from the **Department of Elementary and Secondary Education (DES)** state the department received 13 copies of the 2000 Missouri Revised Statutes. Should the DES be charged a fee for subsequent printed revisions, the number of requested copies could potentially decrease resulting in a greater reliance on the web-based electronic format. Even if the DES maintains the status quo, costs will not likely be significant.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Agriculture (AGR)** state each division and board/commission would be required to purchase copies of the revised statutes of Missouri as needed. The AGR estimates the provisions of this bill would result in 12 divisions/boards/commissions spending \$3,600 (12 X \$300 per copy) for FY 11 decennial copies and \$900 (12 X \$75 per copy) for FY 2 and FY 13 supplements.

### ASSUMPTION (continued)

Officials from the **Department of Social Services (DOS)** state the bill repeals several outdated provisions in the Missouri statutes. In addition, the bill has provisions regarding the printing of the Official State Manual (the “Blue Book”) and other state statutes. It also creates two legislative joint committees.

#### State Statute Books

Section 2.030 expressly permits the Joint Committee on Legislative Research to produce all state laws and resolutions passed or adopted by the General Assembly in a web-based electronic format. Continuing to print bound copies is optional; however, Section 3.130 eliminates the distribution of all free copies of the bound statute books. This provision creates an unknown cost for the DOS and the Division of Legal Services (DLS); the fiscal impact is expected to be less than \$100,000 annually. The DOS and DLS would be required to pay for the bound statute books and pocket parts that it currently receives at no charge, or else rely exclusively upon alternate sources available on the Internet. However, given the likelihood that electronic alternative resources will not always be readily available due to electric/Internet service interruptions, it is assumed that the DOS and DLS will be forced to purchase at least a limited number of bound statute books and pocket parts. However, since the legislation does not specify the price to be charged for bound statute books and it is not known exactly how many sets the department and the division will require, the fiscal impact upon the DOS and DLS is unknown, but less than \$100,000.

#### Joint Committee on Missouri’s Promise

Section 21.920 creates the Joint Committee on Missouri’s Promise to be composed of five (5) members of the Senate and five (5) members of the House of Representatives.

The committee’s purpose is to (1) examine issues that will impact the future of the state of Missouri and its citizens; (2) develop long-term strategies and plans for increasing the economic prosperity and opportunities for the citizens; improving the health status of citizens; an education system designed to prepare graduates for global competition; and other areas vital to improving the lives of the citizens of Missouri; (3) develop three, five, and ten year plans for the General Assembly to meet the long-term strategies above; (4) implement budget forecasting for the upcoming ten years; and (5) such other matters as the committee may deem necessary in order to determine the proper course of future legislative and budgetary action regarding these issues.

The Committee may solicit input and information from any state department or agency, political subdivisions of the state, and the general public. If requested, the DOS expects to provide information to the Committee using existing resources.

ASSUMPTION (continued)

Joint Subcommittee on Recovery Accountability and Transparency

Section 33.850 requires the Committee on Legislative Research to organize a subcommittee to be known as the Joint Subcommittee on Recovery Accountability and Transparency to be composed of four members of the Senate and four members of the House of Representatives. The purpose of the Subcommittee is to coordinate and conduct oversight of any moneys received by the state or any political subdivision under the American Recovery and Reinvestment Act of 2009 (ARRA).

The subcommittee may hold public hearings, review audits conducted by the State Auditor, and receive testimony from the State Auditor relating to audits of ARRA funds.

The Subcommittee must submit annual reports to the Governor and the General Assembly, including the Senate Appropriations Committee and the House Budget Committee, summarizing the findings of the Subcommittee. All reports must be made publicly available and posted on the Governor's website, the General Assembly website, and each state agency website (33.850.5. RSMo). The cost to post the report on the DOS website would be minimal.

Each state agency must also cooperate with any request of the Subcommittee to provide information the Subcommittee deems necessary. The Subcommittee must make recommendations to agencies on measures to prevent fraud, waste, and abuse relating to ARRA funds. Not later than 30 days after receipt of a recommendation, an agency must submit a report to the Governor and the General Assembly, including the Senate Appropriations Committee and the House Budget Committee, stating whether the agency agrees or disagrees with the recommendations and any actions the agency will take to implement the recommendations. This requirement is similar to the process the DOS uses to review audit findings. The DOS expects to be able to accomplish this with existing staff.

Repeal of Outdated Statutes

The repeal of outdated statutes will have no impact on the DOS.

Officials from the **Missouri House of Representatives (MHR)** have estimated that 200 sets of the Revised Statutes (one per member and the rest for staff offices) will be needed. The next update to the RSMo will be a complete reprint and the cost is estimated to be \$400 per set, or up to \$80,000 for FY 11. Subsequent year updates to the RSMo will cost \$50, adjusted for inflation (3% for FY 13); FY 12 costs are estimated to be \$0 to \$20,000 (400 X \$50); FY 13 costs are estimated to be \$20,600 (400 X \$50 X 1.03).

HWC:LR:OD

ASSUMPTION (continued)

Officials from the **Department of Natural Resources (DNR)** state certain provisions of this proposal would repeal obsolete and ineffective statutes as recommended by the state departments.

Those obsolete sections that appear to affect the DNR are Sections 60.461, 253.022, 253.375, 260.370, 260.481, 644.054, 644.550, and 644.551. The DNR would not anticipate a direct fiscal impact from those provisions of the proposal.

Currently, the Revisor of Statutes is required to print and bind copies of all laws and resolutions and deliver copies to certain listed public agencies, schools, and libraries. Section 2.030 would give the revisor the discretion to print and bind the laws and resolutions or to produce the laws and resolutions in a web-based electronic format. Section 3.130 would repeal the provisions that required the revisor to distribute copies to the listed agencies, schools and libraries. Under Section 3.140, the revisor would be given the authority to sell copies of the revised statutes at a price determined by the Committee on Legislative Research, taking into account, in part, the cost of producing the statutes and maintaining the website.

Officials at the Joint Committee on Legislative Research sells copies of supplements to the Missouri Revised Statutes from \$35 to \$75 annually. Legislative Research sells complete sets of the Missouri Revised Statutes for approximately \$400.

According to Legislative Research officials, the DNR received 61 copies of the supplements this year. It is unknown if the department would rely solely on the web-based electronic format if those supplements were not provided as a result of this proposal or if they would be purchased annually.

Officials from the **Missouri Senate (SEN)** state the SEN currently receives between 80 and 90 copies of the revised statutes. Thus a potential cost ranging from \$0 to between \$32,000 and \$36,000 would appear to be a potential expense (assuming a \$400 per unit price).

Officials from **Legislative Research (LR)** state the bill as Truly Agreed would require payment from former organizations that received complimentary copies of the RSMo's and Session Laws, such as state agencies, courts, and counties, to pay for the RSMo's and Cumulative Supplements. As this is the first year in which this occurs (and a budget-strained year as well), it is very difficult to estimate the number of copies that will be sold.

Assuming a price for the 2010 Cumulative Supplement of \$100 (the Committee has not made that determination yet), and ALL of the former complimentary organizations purchase them, LR

ASSUMPTION (continued)

assumes that, at the most, an additional \$300,000 (3,000 complimentary copies X \$100) to the Statutory Revision Fund could be received. Not many Session Laws are sold, so they are not being considered in LR's assumptions.

Since it is impossible to predict how many copies of the 2010 Cumulative Supplements the various state agencies and local governments may purchase, **Oversight** is presenting (Unknown) costs for the purchase of the supplements by the various state agencies and local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
<b>GENERAL REVENUE</b>			
<u>Costs - All State Agencies</u>			
Purchase of Cumulative Supplements and Session Laws	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>
<b>STATUTORY REVISION FUND</b>			
<u>Income - Legislative Research</u>			
Purchase of Cumulative Supplements and Session Laws	<u>Unknown less than \$300,000</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON STATUTORY REVISION FUND</b>	<u><b>Unknown less than \$300,000</b></u>	<u><b>Unknown</b></u>	<u><b>Unknown</b></u>

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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**FEDERAL FUNDS**

Savings - DOS

Reduction in reimbursable costs	Unknown less than \$100,000	Unknown less than \$100,000	Unknown less than \$100,000
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Loss - DOS

Reduction in reimbursements for costs	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
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**ESTIMATED NET EFFECT ON  
FEDERAL FUNDS**

<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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**LOCAL GOVERNMENTS - ALL**

Costs - All Local Governments

Purchase of Cumulative Supplements and Session Laws	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT ON ALL  
LOCAL GOVERNMENTS**

<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

**REPEAL OF EXPIRED STATUTES**

The bill repeals various expired provisions in the Revised Statutes of Missouri as identified in the January 2010 Annual Report of the Joint Committee on Legislative Research on Laws Which Expire, Sunset, Terminate, or Become Ineffective.

**CERTAIN OFFICIAL STATE PUBLICATIONS**

The Joint Committee on Legislative Research is authorized to print or produce all state laws and resolutions in a web-based electronic format. A printed copy may be made available at a price determined by the joint committee. The Official Manual of the State of Missouri, commonly



FISCAL DESCRIPTION (continued)

known as the Blue Book, will be made available only in an electronic format accessible on the Secretary of State's web site. The current distribution requirements for the state laws and resolutions and the official manual are repealed.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General  
Department of Agriculture  
Office of Administration -  
    Administrative Hearing Commission  
    Division of Budget and Planning  
Office of State Courts Administrator  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Higher Education  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Health and Senior Services  
Department of Labor and Industrial Relations  
Department of Revenue  
Department of Social Services  
Office of the Governor  
Missouri Department of Transportation  
Department of Public Safety -  
    Director's Office  
    Missouri Gaming Commission  
    Missouri State Highway Patrol  
    Missouri Veterans Commission  
Missouri Ethics Commission  
Missouri House of Representatives  
Office of State Auditor  
Office of Prosecution Services  
Missouri Senate  
Office of Secretary of State  
Office of State Treasurer

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SOURCES OF INFORMATION (continued)

Missouri State Tax Commission

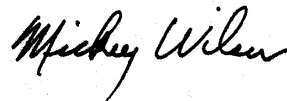
University of Missouri

Parkway School District

Linn State Technical College

St. Louis County

Parkway School District

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA

Director

June 21, 2010